Saskatchewan Exploration and Development Highlights 2001

Saskatchewan
Energy and Mines

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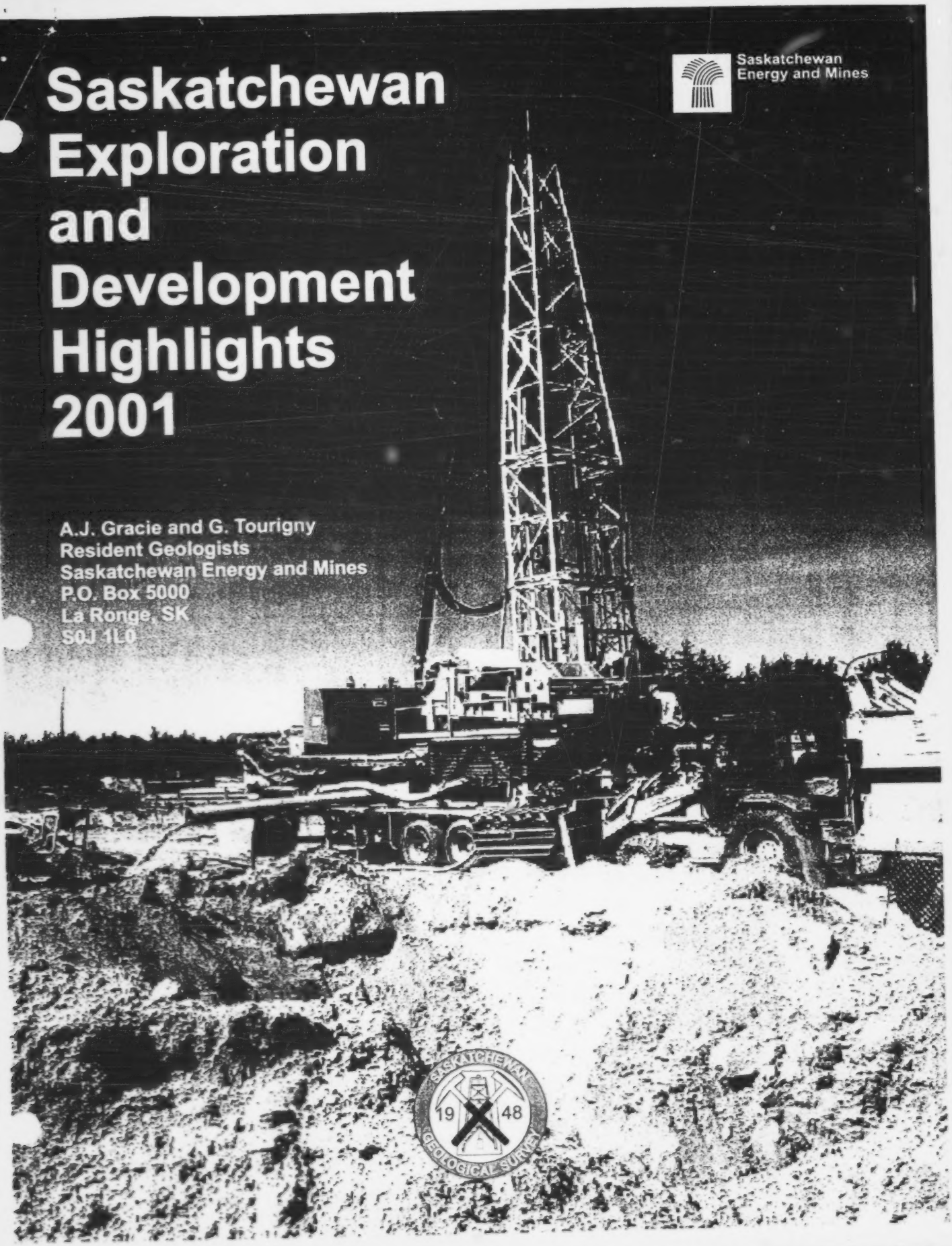

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Surface mineral expenditures are estimated at just over $29 million in 2001, similar to actual expenditures of $28.21 million in 2000 (Table 1). Diamond exploration is expected to more than double to about $8.6 million reflecting recent encouraging results from the Fort à la Corne area. In contrast, uranium exploration expenditures are forecast to decline to about $14 million. Base metal exploration is expected to decline to $2 million. Gold and PGM exploration will remain low. New focuses are REE and tantalum exploration in the far north.

Table 1 - Saskatchewan exploration expenditures in millions of dollars (Canadian).

	2001 (estimated)	2000 (actual)
Uranium	14.19	17.74
Gold	0.92	0.73
Base Metals	1.98	4.21
Diamonds	8.56	4.11
PGMs	1.23	1.02
Others	2.35	0.4
Total	**29.23**	**28.21**

URANIUM

In 2001, Saskatchewan remained pre-eminent in uranium production accounting for 100% of Canadian and 31% of world output. McArthur River reserves have increased by more than 50% and at the end of the third quarter 2001, production was on track to achieve 6924 t U (18 million lb U_3O_8) this year. COGEMA Resources Inc. received approval to increase the McClean mill's annual production limitation to 3077 t U (8.0 million lb U_3O_8) from 2308 t U (6 million lb U_3O_8).

The spot price for uranium continued to slowly rebound from last year's low. On September 30, 2001, the uranium spot price (restricted) was US$9.50/lb U_3O_8 compared to US$7.40 one year earlier and $8.75 at the end of June 2001. Spot prices ended 2000 at an all time low of US$7.10/lb U_3O_8. Cameco Corporation is the key player in uranium mining and exploration in Saskatchewan, controlling 60% of currently identified reserves.

Saskatchewan's mines produced 10 732 t U (27.9 million lb U_3O_8) in 2000 up 23% from 1999. Reserves and production figures for operating facilities are presented in Table 2. Identified reserves within the Athabasca Basin are sufficient to sustain current production rates for the next 25 years.

Over a dozen companies, acting either independently or in joint venture programs, are exploring for uranium. Exploration in all parts of the Athabasca Basin is aimed at the discovery of other high-grade and large tonnage unconformity-type deposits. In October 2000, Kennecott Canada Exploration Inc. elected to proceed with further exploration on the Moore Lake uranium property to earn a 65% interest. Pioneer Metals Corp. increased their properties under exploration on the northern margin of the Athabasca Basin by option agreements with Cameco Corporation at Black Lake and DF Exploration Uranium Ltd.. south of Riou Lake. This area is now accessible by winter road to Stony Rapids. In October 2001, Pioneer announced an agreement with Cameco to form a new public company UEX Corporation that will focus on uranium exploration in the Athabasca Basin. Under this plan, Pioneer's interests in all of its uranium exploration properties, including Riou Lake, will be transferred to UEX. Cameco will transfer to UEX its Hidden Bay advanced exploration properties for a 40% interest in the new company; Pioneer shareholders will hold a 60% interest. COGEMA Resources Inc. continued to work at Shea Creek, 15 km south of Cluff Lake.

Cigar Lake

Cigar Lake Mining Corporation: Cameco Corporation (50.025%), COGEMA Resources Inc. (37.100%), Idemitsu Uranium Exploration Canada (7.875%), and TEPCO Resources Inc. (5.0%).

With total proven and probable reserves of 89 076 t U (231.6 million lb U_3O_8) at an average grade of 15.44% U (18.21% U_3O_8) and total inferred resources of 45 620 t U (118.6 million lb U_3O_8) at an average grade of 14.35% U (16.92% U_3O_8), Cigar Lake is the world's second largest, high-grade uranium deposit. Production is not expected before 2005 assuming a positive production decision is made, regulatory approval obtained, construction completed, and operating licenses received.

[1] The information contained in this report is derived from press releases and quarterly and annual reports by mining and exploration companies active in Saskatchewan. In some cases this information has been supplied in discussions with company representatives. The Department of Energy and Mines and the Government of Saskatchewan do not accept liability for any errors, omissions or inaccuracies that may be included in, or derived from, this report.

Table 2 - Published reserves for Saskatchewan uranium mines.

Owner(s)*	Property/Deposit	Reserves (t U) (Unstandardized)	Grade %U	Production (t U) 2000***	2001****
	RESERVES**				
Cameco Corporation	Rabbit Lake	8 603	1.1	2790	1755
Cameco Corporation	Key Lake	460	0.35	4141	6924
Cameco Corporation–COGEMA Res.	McArthur River P2N	151 742	17.96	–	–
Cigar Lake Mining (Cameco Corporation–COGEMA Res.–Idemitsu–TEPCO–KEPCO)	Cigar Lake	89 076	15.44	–	–
COGEMA Res.	Cluff Lake	1 654	2.2	1462	1231
COGEMA Res.–Redstone Res.–Denison–OURD	SUE A, B, C, and D	10 117	1.36	2308	2308
	McClean	5 077	1.79	–	–
	JEB	400	0.45	–	–
COGEMA Res.–Denison–OURD	'Midwest'	13 755	3.8	–	–
	RESOURCES**				
Cameco Corporation–COGEMA Res.–PNC–KEPCO	Dawn Lake	4 977	1.43	–	–
Cameco Corporation–COGEMA Res.	McArthur River P2N	55 924	9.11	–	–
Cigar Lake Mining (Cameco Corporation–COGEMA Res.–Idemitsu–TEPCO–KEPCO)	Cigar Lake	45 620	14.35	-	-

Notes:
* Operator first.
** "Reserves" and "Resources" are Cameco Corporation definitions. All figures in the table may not be exactly comparable. Only partial resources are presented. Figures presented come from the Cameco Corporation annual report and COGEMA Resources Inc. directly.
*** 2000 production figures are from Cameco Corporation's 2000 annual report (in cases where Cameco controls the deposit).
**** 2001 production estimated.

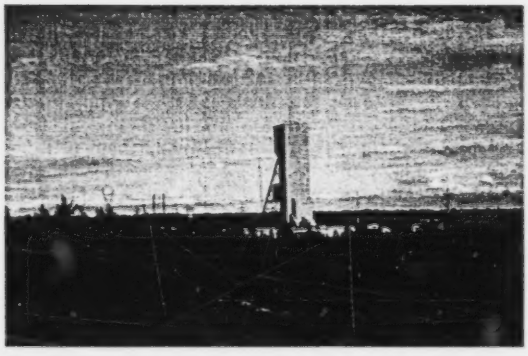

Figure 1 - Head frame, Cigar Lake test mine, August 2001.

The owners propose to develop the Cigar Lake Project at a capital cost of $350 million. After the initial test phase was completed in 1993; the project was operated on a care-and-maintenance basis until 1997 when a second phase of test mining commenced. This second phase of test mining was completed in late 2000, and the site is again being operated on a care-and-maintenance basis. The owners of the project have applied to the regulatory agencies to transfer the role of project operator to Cameco. Based on the present regulatory approval process, Cameco will become the operator by January 2002.

The owners have agreed in principle to process 57% of the Phase 1 Cigar Lake ore 110 km away at the Cameco Corporation-operated Rabbit Lake mill, and the rest 94 km away at the McClean Lake mill, operated by COGEMA Resources Inc. A base amount of 1923 t U (5 million lb U_3O_8) of Cigar Lake ore will

be milled at McClean Lake each year. This arrangement will change if the regulators approve an application to mill all Cigar Lake ore at McClean Lake, rather than part at Rabbit Lake as originally proposed. The McClean Lake mill will receive all of the transported ore slurry and the pregnant solution containing the yellowcake product would be shared between the two mills in the same proportions as was agreed to for the ore.

Mining will be undertaken in two phases: Phase 1, starting in 2005 and lasting 15 years, will deal with the high-grade eastern part of the orebody; Phase 2 will extract the remainder. After a phased-in start up period of about four years, the mine will produce up to 6900 t U (18 million lb U_3O_8) annually. During Phase 2, annual production from the lower grade western portion will drop to 2300 t U (6 million lb), but will last for a further approximately 25 years.

Access to the underground workings is by No. 1 shaft. A second shaft will provide alternative access and will be the exhaust outlet for the primary ventilation system. A third shaft is planned for Phase 2. Drifts will be developed on two levels in basement rock beneath the orebody. The ore will be mined in panels from the upper production level using a jet boring, non-entry method within a frozen orebody. The ore, in the form of a slurry, will be pumped to surface through pipes within secondary containment installed in the No. 2 shaft.

Cigar Lake Mining Corporation and COGEMA propose to dispose of Cigar Lake's potentially reactive and acid-generating waste rock into the SUE pit at the McClean Lake site once that is mined out. A joint Environmental Impact Study (EIS) on the subject was submitted to the regulators in 2001.

Detailed engineering design and preparation of licensing applications were in progress in the latter half of 2001. The application for the mine construction license may be submitted to the regulators in two stages, with the first package being submitted in early 2002 and the second in late 2002. Approval of the first package is expected in the second half of 2002. Construction could then proceed assuming acceptable market conditions. Engineering and construction would take about 27 months. Given the time needed for licensing and construction, production will not begin before 2005.

Cluff Lake

COGEMA Resources Inc., operator (100%).

Originally scheduled to close in 2000, operations at Cluff Lake have been extended through 2001 due to higher ore grades, available capacity in the tailings management area (TMF), lower production costs, and improved productivity. The current plan is to continue mining until the end of May 2002 and to continue milling until the end of 2002. In 2000, production was 1462 t U (3.8 million lb U_3O_8) with the mill operating on a one-week-on/one-week-off basis. Production in 2001 is expected to be 1231 t U (3.2 million lb U_3O_8). The mill, which normally runs at 400 tpd on a one-week-on/one-week-off basis was shut down from June 11 to July 16. The mill will also be shut down from November 26 to December 31, 2001. Production from 1980, was 21 156 t U (55 million lb U_3O_8).

COGEMA Resources Inc. has applied to the Canadian Nuclear Safety Commission (CNSC) for a 28 month operating license for January 1, 2002 to April 30, 2004. Underground mining from a decline continues at West Dominique–Janine (WDJ) from three stopes 65 m, 88 m, and 107 m below surface. Stopes average 3 m wide, 4 m high, and up to 140 m long. The ore is in a system of high-grade, mostly continuous lenses. The company carried out definition drilling in the lower part of the West Dominique–Janine (WDJ) underground mine, followed by a larger surface program in early February and another 2600 m underground program which ended in August. Positive results from the August program allowed for development of a west extension of WDJ ore zone. Mining of these additional reserves will extend the mine life until the end of May 2002.

The Cluff Lake comprehensive study was submitted to the regulators in early January. This study describes the company's proposed decommissioning plan, options, mitigation and environmental effects of decommissioning. The document covers the entire site, including the TMA, the mining areas, mill complex and other structures such as the camp and airstrip.

Summer 2001 site clean up included removal of redundant buildings, site clean up, and reclamation. Work commenced in August on the application of a one meter leveling course on the tailings management area, upper solids pond. A large test plot is currently being installed on the Claude waste rock pile. This test plot will be used to analyze compaction and water filtration through the proposed cover. This work will be completed in October 2001.

Monitoring wells are being drilled through and around the base of the waste rock pile. These wells will be used to determine ground water elevations and contaminate loadings.

The company's short-term schedule on mining and milling at Cluff Lake has been finalized. A long term decision to restart the mill at a later time or completely decommission the site will depend on a number of factors such as uranium prices and exploration success. A surface exploration program will commence in January 2002.

Key Lake/McArthur River

Cameco Corporation, operator (69.805%) and COGEMA Resources (30.195%).

Key Lake, the largest high-grade uranium milling operation in the world, produced about 4141 t U (close to 10.8 million lb U_3O_8) in 2000 primarily from McArthur River ore. The mill has a production capacity of 6924 t U (18 million lb U_3O_8) which is the McArthur River mine's planned annual capacity. Ore from McArthur River is trucked to the Key Lake operation as a slurry. There it is diluted with the remaining Key Lake low grade ore stockpiles, dry hauled low grade ore <1.7% U (<2% U_3O_8), and special waste >0.03% U (0.03% U_3O_8) from McArthur River. The result is an average blend of about 3.4% U (4% U_3O_8) – a grade which is suitable for processing at the Key Lake mill. The Deilmann pit TMF will hold the tailings.

McArthur River is the world's largest high-grade uranium deposit with proven and probable reserves of more than 151 742 t U (394.5 million lb U_3O_8) with an average grade of 17.96% U (21.18% U_3O_8), an increase of >50% over the proven and probable reserves as of December 31, 1999.

The mineralization, as identified from surface drillings from 1988-91 extends along the P2N fault over a distance of 1700 m. Mineralization is of the unconformity type, structurally controlled by the P2N fault, which strikes N45°E and dips 45° to 60° southeast with a 70 m average vertical offset. Mineralization occurs in zones of variable importance hosted either by sandstone, the fault zone or predominantly pelitic gneisses in basement. The zone's main characteristic is very high ore grade which can reach 59.4% U (70% U_3O_8) locally. Average grades of 25.4% U (30% U_3O_8) over several meters are common in drill holes and were confirmed during mining.

The McArthur River mine was established in 1993-94 and underground drilling campaigns allowed the definition of mineralized zones in the central part of the deposit over a length of 550 m. Ore production by

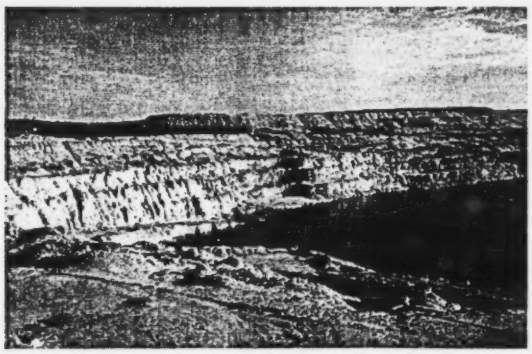

Figure 2 - Deilmann Pit Tailings Management Facility, Key Lake, August 2001.

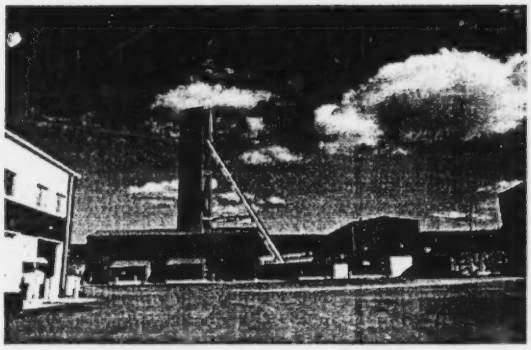

Figure 3 - Pollock headframe, McArthur River Mine, August 2000.

raiseboring began at the end of 1999 in the zone 2 area and yielded >4231 t U (>11 million lb U_3O_8) in the first year. Production in 2001 is on track to achieve 6924 t U (18 million lb U_3O_8). Production appears to be well in excess of the amount predicted by the current resource models, a fact that may be due to the conservative approach used by the estimators as well as other factors under study. New 2001 underground drilling will be concentrated to the south.

Underground development is on the 530 m, 560 m, and 640 m levels. Zone 2 pelite was mined first behind a "freeze wall" which prevents water from penetrating into the mining area and allows the ore to be mined safely. Raise-bore mining is the sole, non-entry, mining method being used. Line of sight remote controlled equipment is used to minimize workers' exposure to radiation. Ore is comminuted in a grinding system on the 640 m level, pumped to surface as mud-like slurry, then stored in tanks until loaded into specially designed containers for the 80 km truck haul to Key Lake.

McClean Lake

COGEMA Resources Inc., operator (70%), Denison Mines Ltd. (22.5%), and OURD (Canada) Co. Ltd. (7.5%).

The McClean Lake operation produced 2308 t U (6 million lb U_3O_8) in the first 10 months of 2000 and projects similar results for 2001 by processing a blend of SUE low to high-grade and JEB low-grade ores for an average of 2.6% U (3.06% U_3O_8). The company has recently received regulatory approvals to raise the production limitation to 3077 t U (8.0 million lb U_3O_8) from 2308 t U (6 million lb U_3O_8). Milling operations were shut down for routine maintenance from November 7, 2000 to January 2, 2001and July 17 to July 31, 2001.

With government approval and a positive company production decision to mine at the Cigar Lake and Midwest projects; a second phase of construction is planned to double the mill's capacity from 2308 t U (6

million lb U_3O_8) to 4616 t U (12 million lb U_3O_8). An application to mill all Cigar Lake ore at McClean Lake rather than part at Rabbit Lake as originally proposed was submitted to the regulators. If the application is approved, McClean and Rabbit Lakes would share the pregnant solutions in the same proportion as originally proposed for ore. The SUE C1 pit is mined out at a depth of 100 m and the Sue C2 extension pit will be completely mined out at 140 m by the end of 2001. Stockpiled SUE and JEB ore will continue to feed the mill for about 3.5 years, but mining will be shut down at the end of 2001 for about two years. The SUE A and B deposits may be developed over the next three years. The SUE A deposit could be mined from an extension of the SUE C pit. The SUE B deposit will require a separate pit. The company is currently evaluating a third deposit – the SUE E.

Midwest Property

COGEMA Resources Inc., operator (54.8%), Redstone Resources Inc. (20.7%), Tenwest Uranium Ltd. (20%) and OURD (Canada) Co. Ltd. (4.5%).

Although the Midwest mining project, as described in the 1991 EIS, failed to receive approval, COGEMA Resources Inc., as the new majority and joint venture operator successfully identified ways to overcome safety and environmental concerns identified during the first review process. Consequently, the federal-provincial panel recommended approval of this project too. The deposit is concentrated in a 200 m long zone below south McMahon Lake. Ore will be mined by a jet-boring method, previously tested at Cigar Lake and milled off-site at McClean Lake. The new approach addresses the radioactivity and water inflow concerns. Non-entry mining improves radiation protection, because the high-grade ore is contained in pipes and tanks. Also, water inflow will be reduced dramatically by ground freezing. Mink Arm of McMahon Lake will not be drained, thus environmental impacts will be significantly reduced. The Midwest mine will produce 2200 t U (5.7 million lb U_3O_8) per year for six years. Following the governmental approvals in 1998 and the start up of the McClean mill in June 1999, a detailed review of the Midwest project is underway to optimize production.

Rabbit Lake

Cameco Corporation, operator (100%).

The Rabbit Lake mill was placed in care-and-maintenance mode in June of 2001 after producing 1755 t U (4.6 million lb U_3O_8) in 2001 and 2790 t U (7.3 million lb U_3O_8) in 2000. Operations at Rabbit Lake's Eagle Point mine were suspended in early 1999 and this closure extended through 2000 and 2001. The mill operated in 2001 until existing stockpiles were depleted. Past production had increased from 2885 t U (7.5 million lb U_3O_8) in 1994 to 4616 t U (12 million lb U_3O_8) in 1997. Production then declined in 1998 to 4500 t U (11.7 million lb U_3O_8) and 2693 t U (7 million lb U_3O_8) in 1999.

Cameco has re-evaluated the mining plan at Eagle Point to achieve further efficiencies through the introduction of changes to the mining method. Subject to market conditions and regulatory approval the mill may restart in the second quarter of 2002. Mining at Eagle Point, which will provide the Rabbit Lake mill feed, is expected to resume operations about three months before the mill restart. Remaining Eagle Point reserves are 7308 t U (19 million lb U_3O_8). If the regulators approve an application to mill all Cigar Lake ore at McClean Lake, rather than 57% of the Phase 1 Cigar Lake ore at the Rabbit Lake mill as originally proposed, Rabbit Lake would receive pregnant solution from McClean in the same proportion as was originally proposed for ore and complete the milling process.

GOLD

Claude Resources Inc.'s Seabee mine produced 58,300 oz Au in 2000 and 22,800 oz Au in the first six months of 2001. Since production began in December 1991 to the end of June 2001, 506,106 oz Au had been produced at an average head grade of 8.66 g/t (0.25 oz/ton) Au.

The principal 2001 gold exploration program was that of Claude Resources Inc. on claims within a 4 km envelope of the Seabee mine's two mineral leases and in the Amisk Lake area. Presently, most of the ore at Seabee is being mined from the surrounding Currie Rose property. GLR Resources Inc., formerly Greater Lenora Resources Corp., has postponed development on the Goldfields Project until next year. Masuparia Gold Corporation has optioned two gold properties within the McClean Lake belt northeast of La Ronge and reported two high-grade holes from the Greywacke North zone. The Knudsen family continued to drill on their English Bay property near La Ronge. Although there are clearly gold exploration opportunities in the province, only a small group of companies are active compared to over 60 in 1988. Table 3 summarizes past and present production and reserve figures.

Glennie Domain

Seabee Mine

Claude Resources Inc., operator (100%).

The mine produced 58,300 oz Au in 2000 and processed 133 019 t averaging 6.30 g/t (0.18 oz/ton) Au to produce 22,800 oz Au in the fist six months of 2001. A total of 116 470 t averaging 8.85 g/t (0.26 oz/ton)Au was milled in the same period in 2000 to produce 30,100 oz Au. The company experienced lower gold production in the first half of the year, as ore grades from the Currie Rose property massive sulphide D zone, the current area of mining at Seabee,

Table 3 - Published reserves from selected Saskatchewan gold properties.

Owner(s)*	Property	Grade Reserves (t) or Production(oz or t)	g/t	oz/short ton
	MINED OR MINED TO DATE			
Cameco Corporation	Contact Lake Mine** Bakos Zone	188,210 oz 1 304 000	8.0	0.23
Cameco Corporation–Starrex– Uranerz Expl. Mining	Star Lake Mine 21+Rush zones**	76,947 oz 182 291	14.7	0.43
Cameco Corporation–Shore Gold	Jasper Mine**	82,697 oz 140 127	18.8	0.55
Claude Resources Inc.	Seabee	506,106 oz***		
Corona Corp.– Int. Mahogany Corp.	Jolu Mine Rod+Mallard**	230,751 oz†† 472 220	14.4	0.42
Golden Rule Res.	Komis	26,885 oz		
Greater Lenora Res. Corp.	Box	64,066 oz		
Pamon Gold Mines–O.G. Macdonald	Prince Albert	4,882 oz		
	RESERVES			
Claude Resources Inc.	Seabee Mine	579 349†	7.54	0.22
Greater Lenora Res. Corp.	Box and Athona	12 070 000	1.9	0.055
Kristo Gold	Anglo-Rouyn Mine	1 180 000‡	0.55	0.016
Waddy Lake Resources	Komis+EP	687 300‡‡	10.3	0.3
	RESOURCES			
Cameco Corporation–Golden Rule	Corner Lake	181 500	13.0	0.38
Cameco Corporation– Uranerz Expl. Mining	Contact Lake Bakos zone	92 000	7.5	0.22
Cameco Corporation	Pap SW	233 000	8.0	0.23
Claude Resources Inc.	Seabee	1 680 000†	8.0	0.23
Claude Resources Inc.–Cameco Corporation–Husky Oil	Laural Lake	210 000	15	0.44
Golden Rule Res.	Niko	164 700	4.8	0.14
Golden Rule Res.–Comaplex Res.	Tower East	922 000	6.9	0.2
Masuparia Gold Corp.	Greywacke	297 555†††	9.26	0.27
Petro Plus Inc.	Twin	351 000	6.2	0.18
Radcliffe Res. Inc.	"North" Lake	2 360 000	2.4	0.07
Tyler Res.–Golden Rule Res.–Cameco Corporation	Weedy B Golden Heart	314 000 687 000	4.8 10.3	0.14 0.3
Waddy Lake Res.	Komis+EP	573 300‡‡	13.4	0.39

Notes:
* Operator first.
** Mined out. Reserves at start-up listed plus actual production oz Au.
*** End of June 2001.
† March 2001.
†† Additional 1,500 oz estimated recovered during clean-up. Possibly additional ounces were also recovered in the test run.
††† Does not conform to current CIM reporting standards.
‡ Anglo-Rouyn mine tailings also contain 1.97 g/t (0.058 oz/ton) Ag, 0.15% Cu, and 4.5% magnetite.
‡‡ 1995 Annual Report. Komis mine reserves before production started.

have not met expectations. The mine schedule, however, does provide for concurrent development of the B and C zones, which consistently grade higher then D. With grades showing improvement in the D zone and with expected higher grade swell and free pull from the B and C zones, production is anticipated to steadily improve over the balance of the year. As a result, 2001 production forecasts have been adjusted to 50,100 oz Au from an original budget of 55,000 oz Au with total cash costs under US$200/oz and total production costs under US$250/oz.

A hoisting facility and shaft, which reaches the 395 m level, facilitates ore and waste transport to surface. The ore is processed in a three stage crushing circuit and a two stage grinding circuit, which is then followed by cyanide leaching. Since production began at the end of 1991 more than 2.0 million tonnes have been processed at a recovery rate of 92.22%.

Mining during 2000 focussed on the 2C zone between the 190 level and the 100 level and the 2D between the 290 level and the 140 level. The mining was conducted on the Currie Rose property west of the Seabee boundary. The property is 100% owned by Claude, subject to a 30% net profit interest payable to Currie Rose Inc., after payout of development, exploration, and other expenditures incurred by Claude to place the property into production.

Mining and development in 2001 was planned to come predominantly from the 2D and 2C zones between the 340 and 400 levels and the 2D zone above the 60 level. During the first quarter, ore from the lower grade 2C 1900 stope was expected to be blended with the higher grade ore from the 2D 2901 stope. The 2D 2901 stope proved to be much larger than originally contemplated resulting in a longer completion period causing a production shortfall. First quarter definition drilling and development has further outlined the 2C and 2D structures between the 340 and 400 levels. Both structures remained open along strike and at depth. Because virtually all mining and exploration during the first 10 years of Seabee mine's life was above the 400 m level, mining and development in the latter half of 2001 will emphasize targets below that level. To a limited degree, the company has previously drilled successful exploration holes at the 800 m level and is confident that there are substantial reserves between the 400 and 800 m levels.

The annual ACA International Ltd. report prepared in March 2001, established total Seabee's proven and probable reserves at 579 349 t grading 7.54 g/t (0.22 oz/ton) Au. In addition, the audit documented 19 250 t grading 8.30 g/t (0.24 oz/ton) Au and 1 680 000 t grading 8.0 g/t (0.23 oz/ton) Au in the indicated mineral reserve and inferred mineral resource categories respectively. The reduced grade in the D section has led to a reduction in the mine's proven and probable reserves to 435 000 tonnes at the end of the second quarter. The company added a second underground drill and expected to replace these tonnes over the next three or four quarters.

In the first quarter of 2001, diamond drilling totaling 5037 m in 42 holes, targeted four quartz-filled structures to the west, north-northwest, and east-northeast of the mine. The drilling was successful in extending a number of moderate to strong shear structures generally cutting narrow widths with anomalous but low, gold values. Results support the company's confidence in the existence of additional economic reserves within trucking distance of the Seabee mill. Second quarter exploration work was largely an assessment review to develop intermediate targets worthy of follow-up. Third quarter mapping and prospecting on two encouraging trends was planned.

Flin Flon Domain

By the end of 1999, Claude Resources Inc. had earned a 35% working interest in the 14 300 ha Amisk Joint venture property (Cameco and Husky). The company can earn a further 35% by spending $14 million or bringing the property into commercial production on or before the agreement's tenth anniversary in 2005. The optioners (Cameco and Husky) agreed to a one-year extension of the work commitments as prescribed by the option agreement in 2000 and 2001. At Laural Lake, an underground program that includes remapping of existing workings, focussed drilling and limited development of raises was deferred again pending improved metal prices.

Second quarter fieldwork in the Amisk area resulted in the identification of two composite shear zones. The more westerly structure, is in a felsic volcanic unit similar to that at Laural Lake approximately 1 km to the south. The shear zone has been both silicified and pyritized. The other shear-hosted mineralized zone outcrops on Lookout Island, approximately 3 km north of Denare Beach. Based on prospecting and basic geological mapping, this target appears to be a series of anastomosing shear zones that also have been silicified and pyritized. Both structures returned elevated gold assays from grab samples.

La Ronge Domain

Masuparia Gold Corporation has optioned two gold properties; the Greywacke (Shane Resources 50%; JNR Resources Inc. 50%) and the Dickens (United Carina Resources Corp. 50% and Consolidated Pine Channel Gold Corp. 50%). Both properties lie in the McClean belt. The Dickens property contains a number of areas of anomalous gold. The Greywacke property contains the Greywacke North zone where a possible reserve of 297 555 t of 9.26 g/t (0.27 oz/ton) Au has been outlined. The mineralization is open along strike and down plunge. Between 1989 and 1992, Cameco Corporation defined the zone and tested a 6 km section along trend with 40 holes. The highest grade surface sample was 32.04 g/t (0.93 oz/ton) Au over 7.5 m, the deepest intercept returned 7.17 g/t (0.21 oz/ton) Au at a vertical depth of 225 m and the widest intercept returned 5.18 g/t (0.15 oz/ton) Au over 21 m.

Masuparia Gold Corporation is exploring using a model of free gold occurring in a mixed series of rocks of possible sedimentary and volcanic origin. The company plans an aggressive program on both projects, which will consist of geological mapping, sampling, geophysics, and drilling. In the fall of 2001, a 1000 m diamond drill program was completed on the Greywacke North zone. Many of the holes intersected significant gold mineralization. For example, diamond drill hole GW-01-41, drilled 15 m south of a previous intersection which cut 13 g/t (0.379 oz/ton) Au over 4.4 m, yielded 26.20 g/t (0.76 oz/ton) Au over a true width of 4.14 m. Other highlights included the following diamond drill holes: GW-01-42 which returned 20.41 g/t (0.595 oz/ton) Au over a true width of 3.44 m; GW-01-45 which yielded 14.36 g/t (0.419 oz/ton) Au over a true with of 3.36 m; and GW-01-51 which contained 22.33 g/t (0.651 oz/ton) Au over a true width of 3.94 m. All of the previously reported values are believed to be uncut. A new 2500 m program is expected to start by the end of November 2001 to expand the Greywacke zone and follow up high-grade targets elsewhere on the property. One, for example, is the Lyons zone to the south of Greywacke where previous drilling intersected gold values up to 26.41 g/t (0.77 oz/ton) Au over 1.9 m.

Beaverlodge Area–Nevins Lake Block

Goldfields Project

Greater Lenora Resources Inc., operator (100%).

The focus of the Goldfields Project's is to develop an open pit mine on part of the Box deposit. An EIS is mostly complete. The company has continued evaluating the property and believes that a higher grade of ore may be extracted using selective mining techniques and that the ore body may be amenable to gravity separation followed by vat leaching. Management believes the property could be brought into production relatively quickly following a sustained improvement in gold prices. Recent metallurgical testing by Gekko, Australia, completed in February 2001, has indicated excellent recoveries by gravity separation alone. This recovery method could lower capital and operating costs substantially. Continuing metallurgical testing and economic evaluations of this approach are being undertaken.

BASE METALS

Base metal production in Saskatchewan in 2001 came from the Saskatchewan part of the Callinan deposit and from the Konuto Lake Mine. Exploration programs for volcanogenic massive sulphide deposits (VMS) continued in the sub-Phanerozoic parts of the Flin Flon Domain and in the Wapawekka Lake area of the Glennie Domain. Base metal exploration expenditures are forecast to decline about 50% to $2 million in 2001. A new discovery of Cu-Zn and Au-bearing massive sulphide lenses in the Wapawekka Lake area opens new possibilities for base metal exploration in the southern, sub-Phanerozoic part of the prospective Glennie Domain. Published reserves for Saskatchewan base metal properties are listed in Table 4.

Flin Flon Domain

Callinan Mine

Hudson Bay Mining and Smelting Co. Limited (100 percent subject to 6.67 percent NPI with Callinan Mines Ltd.).

The Callinan mine is a volcanogenic massive sulphide (VMS) deposit that consists of three east-plunging zones (south, east, and north) within a sequence of rhyolitic rocks that are likely equivalent to the host rock ("mine rhyolite") of the Flin Flon mine. Only the upper part of the Callinan North deposit extends into Saskatchewan. Since start-up in April 1990 until the end of 2000, the Callinan mine produced 5 020 952 t of ore grading 1.41% Cu, 3.75 % Zn, 2.64 g/t Au, and 24.00 g/t Ag. Of this amount, 144 519 t grading 1.47% Cu, 4.17% Zn, 1.64 g/t Au, and 18.00 g/t Ag came from the Saskatchewan part of the deposit. Saskatchewan production in the first eight months of 2001 was 37 544 t of ore grading 1.08% Cu, 2.42% Zn, 1.82 g/t Au, and 16.66 g/t Ag. Production for the remainder of the year is estimated at approximately 27 574 t of ore grading 1.08% Cu, 2.42% Zn, 1.82 g/t Au, and 16.66 g/t Ag. As of January 1, 2001, mineable resources in the Saskatchewan part of the North Zone were 787 187 t grading 1.19% Cu, 2.98% Zn, 1.53 g/t Au, and 18.07 g/t Ag. There has been no diamond drilling on the Saskatchewan part of the deposit.

Konuto Lake Mine

Hudson Bay Mining and Smelting Co., Limited, operator (100%).

The Konuto Lake Mine is a VMS-type deposit hosted in a Paleoproterozoic juvenile arc volcanic belt. The

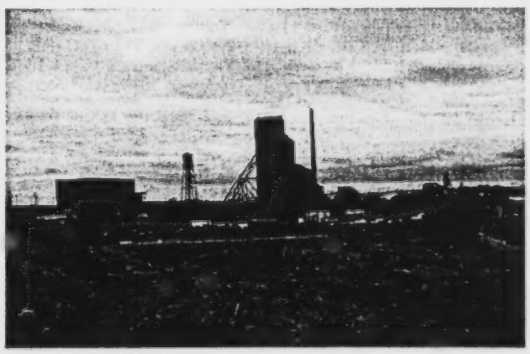

Figure 4 - South Main Shaft, Flin Flon Mine, viewed from Millrock Hill.

Table 4 - Published reserves for Saskatchewan base metal properties.

Venture Operator*	Property	Reserves and Resources (Metric Tonnes)	Cu	Zn	% Pb	Ni	Co	g/t Au	Ag
	MINEABLE RESERVES								
Foran Mining	McIlvenna Bay	14 500 000	0.91	6.08	0.40	–	–	0.45	23.70
Hudson Bay Mining	Callinan Sask Portion	787 187	1.19	2.98	–	–	–	1.53	18.07
Hudson Bay Mining	Konuto Lake	1 296 802	4.04	1.50	–	–	–	2.154	8.403
	GEOLOGICAL RESOURCES								
Leader Mining International Inc.	Knife (Mokoman) Lake	20 000 000	0.74	–	–	–	–	–	–
Claude Resources	Elizabeth Lake	4 985 938	0.73	–	–	–	–	–	–
Boart–Longyear	Brabant/PEG	4 857 851	0.57	5.19	0.28	–	–	0.22	22.59
Hudson Bay Expl.	FON Zone	4 650 307	–	4.60	–	–	–	–	–
Con. Pine Channel	Axis Lake	3 402 000	0.60	–	–	0.60	0.15	–	–
Petro Plus Inc.	George Lake	2 630 880	–	3.67	0.53	–	–	–	–
Aur Resources	Schotts Lake	1 983 850	0.61	1.35	–	–	–	–	–
Aur–Cameco Corp.	Bigstone Lake	1 451 000 308 000	2.90 –	– 11.20	– –	– –	– –	– –	– –
Shane Resources	Brownell Lake	1 251 900	0.56	1.75	–	–	–	–	–
Cons. Pine Channel	Currie Lake	47 536	–	–	–	0.79	–	–	–

Notes:
* Operator first.

geological model is a mafic hosted, back arc rift type Cu-Zn deposit. The north-northeast-striking, near vertical dipping, and steeply south plunging deposit has a strike length of approximately 180 m. The Cu-Zn-Au-Ag mineralization occurs in four sulphide lens including three massive sulphide lenses (Lens 1, 3 and 4) and one stringer "remobilized" lens (Lens 2). The ore zones extend from the 18 mining level to a depth of approximately 440 m.

As of January 1, 2001, the deposit's mineable reserves and resources were listed at 1 296 802 t of ore grading 4.04% Cu, 1.50% Zn, 2.154 g/t Au, and 8.403 g/t Ag. Since production commenced in 1998, until the end of 2000, the mine had produced 572 417 t of ore grading 4.48% Cu, 1.16% Zn, 1.99 g/t Au, and 9.25 g/t Ag. From January 1 to September 1, 2001, the mine produced 93 707 t of ore grading 4.455% Cu, 1.22% Zn, 1.85 g/t Au, and 8.57 g/t Ag. During this period, production was suspended from March 21 until August 2. Production for the remainder of 2001 is estimated at approximately 98 000 t of ore.

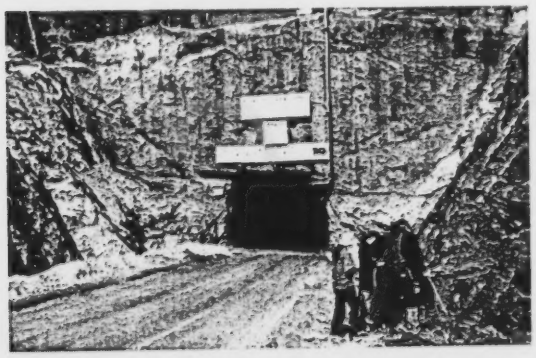

Figure 5 - Portal at Konuto Lake Mine, June 2001.

McIlvenna Bay Deposit

The McIlvenna Bay deposit is a VMS-type deposit hosted by altered felsic metavolcanics. The deposit consists of one main lens (Lens 2) and four smaller lenses (Lens 3, Lens 4, Upper West Zone, and Copper Stringer Zone). The stratabound mineralization strikes approximately N300°, dips 60° to 75° northwest and plunges approximately 45° to the northwest. Total combined, indicated, and inferred resources for the Lens 2 Massive Sulphide, the Upper West zone, and the Lens 3 Massive Sulphide increased by 26% in 2000 and are now estimated to be 14.5 million tonnes grading 0.91% Cu, 6.08% Zn, 0.40% Pb, 0.45 g/t Au, and 23.70 g/t Ag.

Since April 1998, Foran Mining has had an exclusive option to purchase a 100% interest in the deposit from Cameco Corp. and Billiton. Total cost of the acquisition was $10 million of which $3 million has been paid. Foran estimates that $65 million is required to bring McIlvenna Bay into production.

Exploration

The Flin Flon Greenstone Belt saw limited base metal exploration in 2001. Hudson Bay Exploration and Development Company Limited (HBED) completed a 1499 m drill program on ML 5518 to test the felsic mine horizon for Cu-Zn mineralization. Also on this mineral lease, HBED completed ground EM surveys comprising 65.7 km of moving loop time domain EM and 9.8 km of fixed loop time domain EM.

HBED conducted ground geophysical surveys and drilled EM and Mag conductors in the Suggi and Namew lakes area. Eight drill holes totaling 2518.5 m were completed to test these anomalies.

Aur Resources Ltd. completed an exploration program on the Bigstone Lake area where mafic metavolcanics offer good potential for VMS deposits. This program included a ground geophysical survey and a soil sampling program of the most prospective area. Aur carried out 48 km TEM (transient EM) and magnetic surveys over three grids. A total of 240 soil samples were collected over selected EM anomalies; all samples were subjected to MMI (mobile metallic ions) extraction techniques.

Glennie Domain (including the Scimitar Complex)

Wapawekka Lake

Golconda Resources Ltd. carried out an extensive exploration program in the Wapawekka Lake area where they tested geophysical anomalies for massive sulphide and PGM deposits. The company identified new geophysical conductors within favourable gabbroic intrusives and bimodal metavolcanics of the Wapawekka complex. Year-to-date, Golconda has completed 14 holes for a total of over 4400 m. Two main zones of massive sulfides totaling about 60 m thick were intersected. The mineralization is composed of 40 to 50% massive pyrrhotite interlayered with minor sphalerite and chalcopyrite stringers. On October 10, the company reported maximum values of 0.1% Zn and 0.42% of Cu within the prospective horizons.

Knife Lake Deposit

Leader Mining International Inc. and joint venture partner Kores Canada Corp. continued their evaluation of the Knife Lake deposit in the Scimitar Lake area. This deposit is interpreted to be a remobilized volcanogenic deposit hosted in upper amphibolite facies volcanic rocks. Mineralization, comprising disseminated to semi-massive pyrrhotite, pyrite, chalcopyrite, and minor sphalerite, is associated with injected metamorphic melts, aligned parallel to the gently, east-dipping gneissic foliation and lithological contacts. The deposit is shallow (less than 100 m), and has a strike length of over 4000 m. Drilling has indicated a geological resource of 20 million tonnes, grading 0.74% Cu.

In 2001, the company identified new geophysical conductors within favorable horizons at Knife, Gilbert, Scimitar, Pistol, and Red Hill lakes. Five drill targets were selected and tested. Twelve holes totaling 1800 m were completed in March. The best intersection was a 25 m wide massive sulphide lens containing traces of Cu and Ni at Red Hill Lake.

COPPER NICKEL SULPHIDES AND PGMs

Exploration expenditures for these metals are expected to remain low this year. Actual 2000 expenditures are estimated to be about the same as those forecast for 2001. Although seven companies hold ground in the Peter Lake Domain totaling 170 243 ha, little work has been reported since last fall. Golconda Resources Ltd. holds 56 000 ha of this total. Uravan Minerals Inc. and BPH Diamonds Inc. have an option agreement whereby BPH can earn up to 70% in the Rottenstone PGM-Ni-Cu property by incurring $4.3 million in exploration expenditures.

Rottenstone Domain

The Rottenstone deposit consists of dense net-textured, disseminated, and rare massive PGM-Ni-Cu mineralization within a harzburgite-orthopyroxenite sill cutting a migmatized pelite horizon. The mine produced 26 057.8 t of ore, which averaged 3.28% Ni, 1.83% Cu, and 9.63 g/t PGM and Au. The PGM grades are exceptionally high. Four channel samples, taken from mine tailings, contained an average of 2.54 g/t PGM and Au.

Since 1998, Uravan has accumulated a significant technical database on the Rottenstone property resulting in a total expenditure of about $1.3 million. Most of this work was focussed on the Rottenstone mine area resulting in a better understanding of how this deposit could have originated from a postulated, much larger source nearby. Compilation and integration of the accumulated databases (geophysical, geochemical, structural, Landsat, and drill data) suggests the key to finding extensions to the Rottenstone deposit lie in deciphering its structural setting. The tree top biogeochemical survey conducted over the northern third of the property provides an invaluable multi-element database. Superimposition of the geochemical data on the structural map shows that three northwest-trending (325°) multi-element, stacked anomalies coincide with northwest-and north-northwest-interpreted faults.

Drill programs carried out by Uravan have been reconnaissance in nature, amounting to 4118 m in 23 holes, with 2845 m in 14 holes of this total drilled in 2000. Five additional ultramafic sills outside the Rottenstone sill were intersected. Geochemically, these intersections were highly anomalous in the pathfinder

elements Cr (>500 to 1466 ppm) and Ni (>200 to 489 ppm).

In the first quarter of 2001, Uravan staked a number of claims in the vicinity of the Rottenstone Mine to cover geochemical and geophysical anomalies defined during their earlier work. The focus of the 2001 program will be geophysical anomalies outside of the mine area.

Peter Lake Domain

On the basis of a comparison to the Bushveld and Stillwater complexes, Golconda Resources staked 56 000 ha in the lower gabbroic sequence of the Peter Lake Domain. Previous exploration demonstrated that these rocks contain Pt, Pd, Cu, and Ni occurrences over a regional strike length, with values of >4 g/t (0.115 oz/ton) Pd+Pt recorded. Golconda Resources Ltd. reported that: a reconnaissance program; grab samples from trenches established by the SMDC in 1982 to the east of the Johnson River; and a fall 2000 helicopter-supported, four-hole, 420 m drill program, confirmed a layered mafic intrusive complex with elevated platinum and palladium values in well-defined zones. A company compilation of all available data shows a narrow band of about 500 m width in which pyrrhotite, chalcopyrite, and pentlandite occur. The company plans a new helicopter-supported program in an attempt to identify a 'reef type' PGM horizon.

RARE EARTHS

Great Western Gold Corp. has made the last in a series of option payments to Daren Industries Ltd. for the Hoidas Lake rare earth project located approximately 56 km northeast of Uranium City. Great Western can complete earning a 70% interest in the property by incurring $1.5 million in exploration expenditures by September 1, 2004.

The company has now identified 24 separate rare earth occurrences on the 6475 ha property. The showings are situated along, and contained within, more than 10 km of a northeast-trending fault system. The mineralized system exceeds 2 km in width over parts of the strike length. Only one rare earth occurrence, the JAK zone, has received recent exploration work. In February, sixteen holes totaling 1100 m of core were completed along 475 m of the JAK zone to a depth of 65 m. These holes intersected multiple parallel and sub-parallel veins containing significant rare earth mineralization. Individual veins were traced continuously along strike with the highest average grade running 4.62% total rare earth oxides ("TREO") over a width of 5.2 m and the maximum width of 6.9 m grading 4.41% TREO. The initial sampling focus was on the fault structure, known to contain high rare earth values in skarn mineralization, however, parts of the footwall and hanging wall were also sampled (Table 5).

Metallurgical tests carried out on a composite sample from the drill core (averaging approximately 4.4% TREO) have shown that a significant amount of the rare earth mineralization is derived from phosphate minerals (apatite and monazite) in addition to the silicate mineral allanite. Testing also shows that the rare earth elements contained in the minerals are amenable to upgrading by flotation and recovery by acid leaching. A preliminary flowsheet outlining the proposed milling process will be available shortly.

TANTALUM

MPP 1186 covers a cluster of co-incident tantalum-cesium-rubidium-tungsten lake sediment anomalies in the Bright Lake area of the Dodge Domain north-northeast of Stony Rapids. The anomalies are visible on the 1990-94 Geological Survey of Canada, National Geochemical Reconnaissance Survey maps. The property is owned by Leader Mining International Inc. (70%), and Buhlman and Associates (30%) with

Table 5 - First quarter 2001 drill program results from Great Western Gold Corp. Hoidas Lake property. Assays are expressed as percent total rare earth oxides (TREO) and include Ce, Dy, Er, Eu, Gd, Hf, Ho, La, Lu, Nd, Pr, Sm, Tb, Th, Tm, and Y. Included is the weighted average grades over the entire sampled unit. Holes are arranged on section from south to north.

Hole No	Section	Angle	Skarn Width (m)	TREO %	Sampled Width (m)	TREO %
HL01-15	ON	-45	2.0	2.63	4.9	0.63
HL01-16	ON	-65	3.5	3.59	90.4	0.27
HL01-08	50N	-45	4.9	4.22	24.2	1.22
HL01-09	50N	-65	5.2	4.62	55.8	0.64
HL01-06	100N	-41	3.0	4.50	23.8	0.64
HL01-07	100N	-65	4.2	4.53	37.3	0.57
HL01-03	175N	-45	3.4	4.38	44.1	0.48
HL01-04	175N	-65	2.3	3.93	35.8	0.27
HL01-01	225N	-45	3.3	1.16	27.9	0.32
HL01-02	225N	-65	2.3	2.62	36.0	0.47
HL01-10	275N	-45	1.3	3.27	12.6	1.34
HL01-11	325N	-45	6.7	1.88	24.1	0.73
HL01-12	375N	-45	2.9	3.47	68.2	0.39
HL01-13	425N	-50	4.9	4.30	44.9	0.67
HL01-14	475N	-50	6.9	4.41	66.7	0.71

Nikanj and Associates Consulting Inc. holding a 1% net smelter return royalty on the project. Tantalum values within the permit range from 1.5 to 2.8 ppm against a background of <0.5 ppm Ta. The two most important clusters of these anomalies occur near Marchant and Fontaine lakes.

A two-day helicopter-supported orientation survey carried out in January collected 24 grab samples. Microprobe work by the Saskatchewan Research Council confirmed tantalite in a sample from Marchant Lake. Under the direction of Dr. E. Buhlmann, the company completed a program of stream and lake sediment sampling and geological reconnaissance work in late August to early September 2001. Twenty-five rock samples of fractionated pegmatites, aplites, and granites; 22 lake bottom sediment samples; and 40 stream sediment samples were collected from the 61 000 ha property. Sample 8117, from a pegmatite south of Premier Lake, contained 276 ppm tantalum, 49 ppm tin, 110 ppm lithium, 438 ppm rubidium, and 75 ppm cesium. Interesting geochemical results (Table 6) were also obtained from a swarm of large pegmatite bodies, near the eastern end of Marchant Lake. The Marchant Lake pegmatites, locally contain abundant mica books up to 20 cm wide, feldspars greater than 25 cm long, and rare brown garnets up to 25 mm in diameter.

Table 6 - Analytical data for samples from the Marchant Lake pegmatites (Leader Mining press release, November 8, 2001).

Sample No.	Sn	Ta	Li	Rb	Cs
	(values in ppm)				
8106	10	43	46	291	10
8109	85	44	62	467	22
8110	695	96	528	5500	238
8122	80	120	126	578	61
8123	42	85	109	116	6

Analytical results have not yet been released for the lake sediment and stream sediment samples.

DIAMONDS

On October 1, 2001, the amount of land under disposition for diamonds was approximately 508 000 ha, up 43% from the same date in 2000. This figure is still low compared to the 4 million ha under disposition in the early 1990s at the height of the diamond boom. More importantly, however, 2001 diamond exploration expenditures are forecast to double that spent in 2000. All of this year's estimated $8.6 million exploration budget will be spent in the Fort à la Corne (FALC) area.

This revival of the Saskatchewan diamond play is due to a number of factors that include: unfettered access to mineral dispositions; proximity to infrastructure; a re-evaluation of the diamond exploration paradigm; resolution, in at least one case, of technical difficulties that resulted in incomplete diamond recovery; and, most significantly, two projects reporting an improvement in projected grades. Shore Gold drilled hole Star 020 in January this year which cut 539.4 m of kimberlite. Analysis of this hole found a 311.6 m interval with an estimated diamond grade of 61 cts/100 t. This interval included higher grade sections of 25.6 m grading 435 cts/100 t and 133 m grading 116 cts/100 t.

Candle Lake Project

The Candle Lake joint venture (CLJV) is between Great Western Gold Corp. and War Eagle Mining Co. Inc. Through a purchase agreement, Great Western Gold can acquire an 80% interest in CLJV and will carry War Eagle's 20% interest until the completion of a bankable feasibility study.

Based on current drill hole and geophysical data, Pipe 28 is estimated to contain over 6 million tonnes of kimberlite and Pipe 29/30 in excess of 60 million tonnes of kimberlite. Both pipes are diamond bearing and neither has been fully delineated by drilling. Although a large sample is necessary to reliably predict the grade of the pipes, encouraging grade projections have been made from samples of the NQ (1.85" diameter) core drilling completed to date. These forecasts show several holes averaging between 20 and 30 carats/100 t (cpht) over the entire length of the hole including intervals with projected grades as high as 136 cpht.

A 1997, mini-bulk sample was attempted on pipe 29/30 using reverse-circulation drilling. This program ran into difficulty and it took two field seasons to complete two holes. Only 7.5 t of fine material was recovered, representing less than 50% of the total theoretical weight of kimberlite in the holes. Despite this, several diamonds averaging 0.08 carats were recovered. The stones were of high quality, but the majority were fractured during drilling. Results were not encouraging enough for Kennecott Canada Exploration Inc. to justify their continued participation and they terminated their option.

Great Western Gold Corp.'s management thinks that the drilling method used in obtaining the mini-bulk sample was not appropriate and failed to provide an adequate and reliable sample. The results of core drilling to date, including good indicator mineral geochemistry, a high proportion of gem quality stones, and a high macrodiamond to microdiamond ratio, suggests that the kimberlite has a population of larger stones. The corporation therefore proposed, but has not yet collected, another mini-bulk sample using large diameter-coring methods to ensure it is adequate and reliable.

Fort à la Corne–Joint Venture

The Fort à la Corne (FALC) project is a joint venture between De Beers Canada Exploration Inc. (42.25%), Kensington Resources Ltd. (42.25%), Cameco Corporation (5.5%), and UEM Inc. (carried 10%).

Exploration is focussed on 63 confirmed kimberlite bodies that form one of the largest kimberlite fields in the world. Geophysical modeling of the bodies has shown they range from 2.7 to 184 ha in diameter with estimated masses of 3 to 675 million tonnes. The kimberlite bodies are relatively unique in that they are dominantly pyroclastic crater facies. At the beginning of 2000, the De Beers' Mineral Resource Evaluation Department (MINRED) reviewed all available macrodiamond and microdiamond data and re-prioritized the kimberlites within the FALC field. In early fall of 2000, a $2.2 million mini-bulk sampling drilling program was undertaken on two of the higher priority kimberlite bodies: 122 and 141. The objective of the program was to obtain 40 to 50 carats of diamond from the kimberlites for grade estimation, stone valuation, and preliminary revenue modeling.

Body 122 covers an estimated area of 108 ha and embodies a mass (estimated by geophysical modeling) of 540 million tonnes of kimberlite within margins based on greater than a 30 m thickness cutoff. Stone-size modeling of historical results suggests a relatively coarse size frequency distribution for this body.

Body 141 has an estimated area of 106.8 ha and mass of 395 million tonnes based on the greater than 30 m thickness cut off which excludes the tapered edge of the kimberlite. Microdiamond analysis suggested a relatively coarse diamond size frequency distribution for this body.

A mini-bulk sample totaling 580 t of kimberlite from the two separate bodies was processed for recovery of macrodiamonds greater than 1.0 mm in size by drilling three large diameter, reverse-circulation drill holes (24") on kimberlite 122 and two on kimberlite 141. Table 7 presents the results of the 2000 program.

A total of 212 macrodiamonds having a combined weight of 17.305 carats were recovered from 328.3 t of kimberlite from the holes on body 122. Borehole sample grades for body 122 ranged from 3.3 cpht (122-09) to 9.7 cpht (122-11) and averaged 5.3 cpht. Six diamonds larger than 0.5 carats were recovered

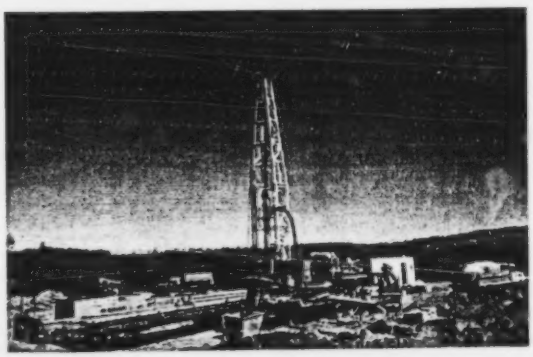

Figure 6 - Rig drilling large diameter (24") reverse-circulation holes for mini bulk sample, kimberlite 141, Fort à la Corne Joint Venture property.

Table 7 - Minibulk diamond recovery results from the 2000 FALC Joint Venture reverse-circulation drilling program.

Drill hole	Minibulk Mass (kg)	Stones	Carats	Sample Carats (cpht)
122-09	129.153	63	4.235	3.3
122-10	118.092	57	5.105	4.3
122-11	81.078	92	7.970	9.7
122 Subtotal	328.324	212	17.310	5.3
141-04	138.590	169	12.840	9.3
141-05	113.260	106	8.220	7.2
141 Subtotal	251.850	275	21.060	8.4
Total for 2000	**580.175**	**487**	**38.370**	–

including four stones larger than 0.7 carats. The highest individual (or interval) sample grade was 24.7 cpht from the lower part of drill hole 122-09.

Better recoveries were obtained from body 141. A total of 275 macrodiamonds having a combined weight of 21.060 carats were recovered from 251.8 t of excavated kimberlite from two drill holes. Borehole diamond sample grades were 9.3 cpht and 7.2 cpht from 141-04 and 141-05 respectively and combined give an average grade of 8.4 cpht. Eight stones greater than 0.5 carat were recovered including one stone weighing 0.855 carat and two stones larger than 1.0 carat (1.085 and 1.535 carats), all three of which were from drill hole 141-04. De Beers size frequency modeling suggests larger stones exist in both kimberlites. The best interval sample grade was 31.5 cpht from 233.6 to 244.9 m depth in drill hole 141-04. Fourteen smaller stones (totaling 0.875 carat) of the 487 total macrodiamonds were recovered from non-magnetic X-ray tailings by hand sorting. This represents only 3% low luminescent stones compared with greater than 50% recovered during the 1999 program on bodies 147 and 220.

De Beers has used macrodiamond recoveries from the 2000 drilling and available microdiamond data to refine kimberlite grade forecasts for kimberlites 122 and 141. The 2000 macrodiamond recoveries from body 122 have revised the grade forecast (1.0 mm lower cut off) from an initial estimate of 9 cpht to a range between 8 to 13 cpht. Significantly, the modeled grade forecast (1.0 mm lower cutoff) for body 141 has increased from 14 to 19 cpht. The joint venture partners anticipate macrodiamond sample grades will approach modeled grades as the total mass of tested kimberlite increases.

The 2000 drilling program supported the coarse nature of the diamond size frequency of the kimberlites tested and sufficient stones were recovered to permit preliminary revenue modeling (Table 8). Grade forecasts are based on combined size distributions of microdiamonds and macrodiamonds in each body. For kimberlite 122, grade was modeled at lower and upper

Table 8 - Summary of preliminary grade and model revenue forecasts for kimberlite bodies 122 and 144 from FALC Joint Venture Project.

Body	Sample Carats (+1 mm)	Grade Forecast/cpht (+1 mm)
122	17.31	8
122		13
141	21.06	19
141		19
141		19

Body	Grade Forecast/cpht (+1.5 mm)	Model Value (SSV) US$/carat (+1 mm)
122	7.5	135
122	12	133
141	18	88
141	18	148
141	18	173

Body	Model Value (SSV) US$/carat (+1.5 mm)	Model Revenue (SSV) US$/t (+1.0mm)
122	144	11
122	146	17
141	90	17
141	153	28
141	178	33

Body	Model Revenue (SSV) US$/t (+1.5 mm)	Model Description
122	11	Best Fit
122	17	Optimistic
141	16	Conservative
141	27	Best Fit
141	32	Optimistic

values due to data scatter; kimberlite 141 showed moderately well constrained grade data, but more variation in the modeled revenue values. Hence, revenue estimates (in dollars/t) are given in ranges that reflect worst case, best fit, and optimistic models for each kimberlite body; the variation in the three being a function of limitations inherent in using relatively small diamond parcels in the calculations. Results are given for models based on +1.0 mm and 1.5 mm minimum size cut off, the latter reflecting more realistic production size recoveries. MINRED suggests the observed small difference in grade at different minimum screen sizes is characteristic of a coarse diamond size distribution. Modeled *in situ* value estimates (using standard selling value (SSV) diamond values) for body 141 range from $US90/carat to $US178/carat (+1.5 mm) with corresponding preliminary *in situ* gross value estimates that range from $US16/t to $US32/t .

Encouraged by the results from the 2000 program, the joint venture partners approved a $4.79 million, two-phase 2001 exploration program in May 2001. The primary aim of the program was to recover up to 80 additional carats from kimberlite 141 to improve confidence limits on diamond value estimates. The first phase of drilling involved the completion of 16 NQ core holes on kimberlites 141, 140, and 150. Kimberlite 140 is now interpreted to be part of 141 body. Core drilling was conducted to provide geological control for large diameter drilling, and to provide additional geological information away from the 2000 drill sites. This work was completed in July. A total of 4292 m was drilled including 2432 m of kimberlite. Core drilling included one hole that was terminated at 450 m, still in kimberlite.

Nine large diameter (609 mm) reverse-circulation drill holes sampled kimberlite 141 and a single drill hole sampled kimberlite 150. Drilling was completed in late September. A total of 413.1 tonnes of kimberlite was extracted from kimberlite 141 and 58.0 tonnes from kimberlite 150. Sample processing is currently taking place in Grande Prairie and final diamond recovery will then take place at the De Beers Geological Sample Processing facility in Johannesburg. Initial sample results should be available in December.

Star Kimberlite Project

Shore Gold Inc.'s Star kimberlite is at the southeast end of the FALC kimberlite field. This kimberlite consists of diatreme and pyroclastic crater facies rocks covering an area of over 4 km^2 and ranging from 3.0 to 539.4 m thick. Preliminary estimates of continuous diamond-bearing kimberlite exceeds 500 million tonnes, with an average thickness of 88 m, based on a minimum cut-off thickness of 30 m, as indicated by geophysical modelling and substantiated by drill holes.

Shore's 2000 Phase 1 diamond drill program included 15 NQ holes and one PQ (diameter 3.35") hole. The results from twelve NQ holes completed in 2000 were presented in Saskatchewan Exploration and Development Highlights 2000. Table 9 presents the results from the three NQ holes from the 2000 Phase 1 drill program. Table 10 presents the results from the single 2000 Phase 1 PQ hole and the combined results from all Phase 1 PQ and NQ holes. By February 14, 2001 a total of 2245.4 kg of core had been analyzed resulting in the recovery of 523 diamonds, including 120 macros (>0.5 mm) weighing 0.621 carats for an average grade of 27.8 cpht.

Shore also reported mid-February this year that, of 43 macrodiamonds recovered from Star 016, 10 stones had at least one dimension ≥1.0 mm. The largest stone

Figure 7 - B. Kjarsgaard (GSC), L. Kelley (SEM), J. Challis (Shore Gold) and S. Harvey examine diamond drill core from the Star Kimberlite.

in this hole, a fragment, is 2 mm wide and weighs just over 0.04 carats. The macros account for 23% of the number of stones recovered from the Phase 1 drill program but 79% of the total weight of stones recovered. One sample weighing 10 kg, taken over a 1.4 m interval towards the bottom of the hole, returned 4 macros, each have at least one dimension >1 mm.

The company started a Phase 2 drill program at the end of 2000 designed to test the continuity of the kimberlite body outside the existing defined boundaries of the deposit, as well as to provide additional geological information on certain areas within the drill defined kimberlite structure where geophysical modeling indicated a possible location for a diatreme/root. The fourth hole, Star 020, cut 539.4 m of kimberlite and was stopped in kimberlite at a depth of 627 m. This kimberlite intersection is the thickest drilled in North America. Preliminary logging of the core defined diatreme facies lithologies; abundant large mantle derived xenoliths, pyrope, and ecologitic garnets indicating that Star 020 had been drilled into a feeder system for the Star Kimberlite. Petrographic work by Mineral Science Ltd., a consulting firm based in the United Kingdom, confirmed that samples taken from Star 020, from a depth of 279 m to the bottom of the hole, were all derived from diatreme material. Samples from two other holes have similar mineralogical signatures to Star 020.

A summer 2001 drill program completed seven new NQ sized diamond drill holes. Preliminary logging has been completed and representative samples have been chosen for caustic fusion. Three holes were designed to provide the data necessary for delineating an area, with a minimum of 200 m thickness of kimberlite, in the Star Kimberlite body, where a representative sample could be taken either by various large diameter drill methods, or by sinking a vertical shaft into the kimberlite. These holes were located within 100 m of Star 020 and were also designed to test the shape of the upper portion of the feeder pipe drilled in January. The Geological Survey of Canada carried out downhole geophysical surveys including natural gamma ray spectrometry, magnetic susceptibility, density log and sonic log on these three holes.

Table 9 - Shore Gold Inc. Star kimberlite 2000 Phase 1 diamond drill program, results for NQ holes Star 002, 008, and 014.

Hole No.	Sampled Weight (kg)	Sampled Interval (m)	No. of Micros <0.5 mm	No. of Macros >0.5 mm	Total Diamonds	Projected Grade (cts/100t)
Star 002	61.2	35.7	11	9	20	131
including		21.1				147
and		15.7				284
Star 008	92.6	51.4	17	2	19	24
including		24.8				47
Star 014	101.2	76.5	7	2	9	4
including		16.5				11
Total/Average	255.0		35	13	48	38
15 NQ holes Total/Average	1494.5	1018.3	244	76	320	27

Table 10 - Shore Gold Inc. Star Kimberlite 2000 Phase 1 diamond drill program, results for PQ hole Star 016 and combined results for all 2000 Phase 1 NQ and PQ holes.

Hole No.	Sampled Weight (kg)	Sampled Interval (m)	No. of Micros <0.5 mm	No. of Macros >0.5 mm	Total Diamonds	Projected Grade (cts/100t)
Star 016 (PQ)	750.9	144.2	159	44	203	31.2
2000 Total (NQ and PQ)	2245.4	1162.5	403	120	523	27.8

On October 9, Shore Gold released the results of diamond analysis from the first five NQ diamond drill holes drilled in the 2000-01 Phase 2 program (Table 11). The results for Star 020 only include the NQ section of the hole, and not the deeper BQ core. A total 626 kg sample of split kimberlite core, taken over a continuous interval of 311.6 m from a depth of 87.6 m below surface to a depth of 399.2 m, was processed. This interval averaged 61 cpht and included higher grade intersections of 25.6 m grading 435 cpht and 133 m grading 116 cpht .

Also on October 9, the company reported aggregate results for 3422 kg of split core from 20 NQ holes and one PQ hole drilled during 2000 and early 2001. Seven hundred and eighty-two diamonds, including 197 macros weighing 1.244 carats for an average grade of 36.3 cpht have been recovered from this homogenized sample.

Caustic dissolution analyses were completed by Kennecott Canada Inc.'s ISO Guide 25 Process Registered Thunder Bay Laboratory using a diamond recovery sieve of 150 microns (100 mesh) and were done on split core samples averaging 8 to 10 kg in weight; the other half of the drill core has been retained. Included within the total of 46 macrodiamonds recovered from Star 020 are 15 stones with at least one dimension ≥1 mm. The 46 macros account for approximately 87% of the weight of diamonds recovered from Star 020 while the 15 macros >1 mm represent approximately 71% of the total weight of recovered diamonds. The four largest stones have dimensions of 1.49 x 1.41 x 1.29 mm, 1.52 x 1.25 x 1.15 mm, 1.49 x 1.33 x 0.94 mm, and 1.46 x 1.27 x 0.96 mm.

Since the start of the exploration program on the Star Kimberlite in 1996, a total of 26 diamond drill holes with a total sample weight of 4623 kg have been analyzed, resulting in the recovery of 1.477 carats of diamonds. Stones >0.5 mm made up 84% of the total weight of recovered diamonds from the Phase 2 2000-01 program. While stones >1 mm made up approximately 60% of the weight of the same sample.

Shore will retain an independent firm of diamond experts to analyze the recovered diamond population, produce a probability distribution for the stones, and determine a preliminary view of the likely commercial grade of the Star Kimberlite.

Following the completion of the NQ- and PQ-sized diamond drill program, and in preparation for the extraction of a major bulk sample from the Star Kimberlite, Shore Gold decided to recover a sample of at least 100 t of kimberlite using a large diameter, reverse-circulation drill. On October 27, one large diameter (24") reverse-circulation hole, Star 031RC was completed close to diamond drill hole Star 026. From Star 031RC approximately 90 t of wet kimberlite chips were recovered (using a 1.2 mm screen size) from a continuous kimberlite interval of approximately 200 m. The sample is currently being processed at the De Beers Canada Exploration Inc.'s Grand Prairie facility to produce a Dense Media Separator (DMS) concentrate. This concentrate will be split into two halves that will be sent to two different facilities to test two different methods of diamond recovery. This sample will help evaluate properties of the kimberlite and the characteristics of the diamonds prior to finalizing plans for a bulk sample treatment plant to process a 25 000 t bulk sample, required to determine the economic potential of the Star Kimberlite.

Fort-à-la-Corne – Other Companies

Buckshot Holdings Ltd. and Commando Holdings Ltd. hold 77 953 ha in the immediate area of the Fort à la Corne kimberlites. Skeena Resources Ltd., with an option on the Weirdale kimberlite cluster, drill tested kimberlite 501 and 502 with a large diameter coring rig. Shane Resources Ltd., Consolidated Pine Channel Gold Corp., United Carina Resources Corp., and First Labrador Acquisitions Inc. each hold 25% of the property immediately west of kimberlite 122. First Labrador has earned its interest by providing $150,000 toward project costs and may earn a further 25% by providing a further $150,000. The first three companies listed above have agreed to sell a 30% carried interest in the property to Twin Oaks Management Inc. for $80,000. A geophysical survey conducted this past summer on the property defined a magnetic anomaly that could represent an extension of kimberlite 122. As of October 19, 2001 a drill program was underway.

Table 11 - Shore Gold Inc. Star Kimberlite 2000-01 diamond drill program, results for NQ holes Star 017 to 023.

Hole No.	Sampled Weight (kg)	Sampled Interval (m)	No. of Micros <0.5 mm	No. of Macros >0.5 mm	Total Diamonds	Projected Grade (cts/100t)
Star 017	142.0	80.9	4	5	9	32.9
Star 018	99.1	54.5	6	4	10	10.0
Star 019	93.6	54.2	6	5	11	44.7
Star 020	626.0	311.6	125	46	171	61.0
Star 023	215.9	118.1	41	17	58	64.1
Total 2000-01	3422	1781.8	585	197	782	36.3

LEONARDITE

Leonardite is a relatively rare, soft earthy brown or black naturally oxidized form of lignite with a high humic and fulvic acid content, occurring at or near the surface, used primarily for agricultural/horticultural applications, fertilizer formulations, and to a lesser extent for remediation of contaminated soils, in drilling muds, and various other applications. Leonardite is used both in its natural state as well as a raw material from which to extract humic and fulvic acids.

Wapaw Bay Resources Inc. ran a drilling program using a sonic drill, on the south side of the Wapawekka Lake, during the winter of 2001. Despite some problems penetrating overburden, seven successful holes were drilled southeast of Wapaw Bay, intersecting a leonardite seam varying from 0.3 to 1.6 m in thickness. Overburden cover varied from 3.4 to 8.2 m thick. Samples analyzed to date varied between 53.14 to 85.67% total humic acids. Exploration plans for 2002-03 include additional drilling to better delineate this deposit, as well as exploration of other known deposits in the area.

SILICA SAND

Daren Industries Ltd.'s wholly owned subsidiary, Hanson Lake Sand Corp., has initiated sales of it's 20/40 sand proppant (Frac Sand). The company reported on June 1, 2001, that it's sand met the American Petroleum Standards recommended practice for testing sand used in hydraulic fracturing operations.

Hanson Lake Sand Corp. was formed by Daren Industries as a 100% owned subsidiary in March 2000 to develop it's assets at Hanson Lake, Saskatchewan. The company built an 11 km road, processing and quarry site established facility at Prince Albert, created a distribution center in Medicine Hat, Alberta and completed an EIS statement.

Frac Sand is a key component in the production of both natural gas and oil from reservoirs found in sandstone, which represent up to 70% of southern Alberta natural gas production. Hydraulic fracturing involves the pumping of fluids, at high pressures, to create a fracture or crack in the producing formation. Sand known as a proppant is introduced into the fracture and serves to prop or hold the fracture open for oil and gas to reach the well bore. High quality fracturing sand is rare and must meet rigid specifications defined by the industry and the American Petroleum Institute.

On September 16, 2001, Hanson Lake Sand Corp. announced it had completed the pilot plant phase of the operation. The company had produced and sold all it's 20/40 production of frac sand and was currently negotiating for the sale of other products. At that time Hanson Lake had suspended operations, was restructuring it's debt and seeking additional financing in order to begin year round operations.

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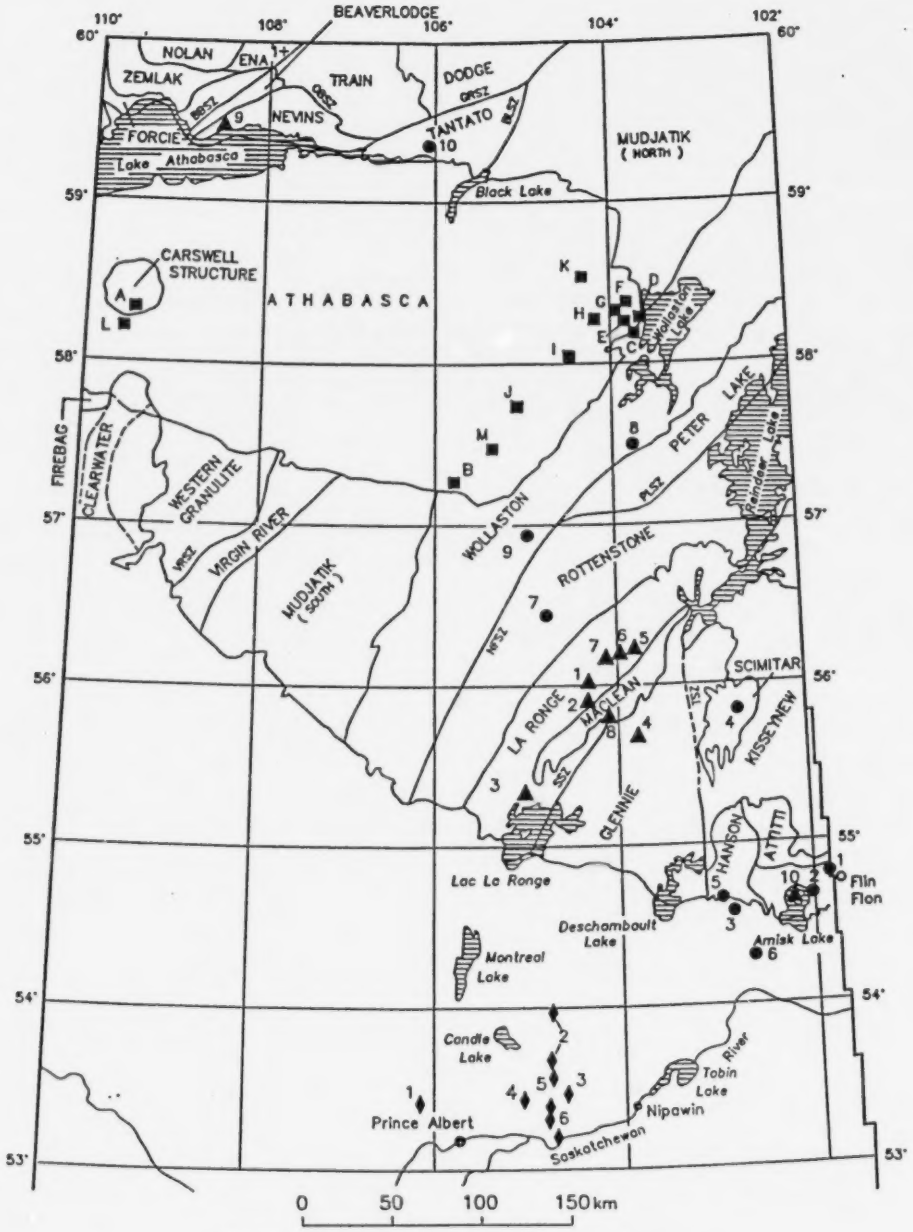

MINERAL DEPOSITS AND EXPLORATION AREAS

Uranium (■): (A) Cluff Lake, (B) Key Lake, (C) Rabbit Lake, (D) Collins Bay–Eagle Point, (E) McClean Lake, Sue Trend, (F) McClean Lake, Jeb, (G) Dawn Lake, (H) Midwest, (I) Cigar Lake, (J) McArthur River, P2 North, (K) La Rocque Lake, (L) Shea Creek, and (M) Moore Lakes.

Gold (▲): (1) Jolu and Star Lake mines, (2) Jasper mine, (3) Contact Lake mine, (4) Seabee mine, (5) Golden Heart deposit, (6) Komis mine, (7) Tower East deposit and Memorial showing, (8) Greywacke prospect; (9) Box and Athona mines, and (10) Laural Lake deposit and Prince Albert–Monarch mine.

Base Metals (●): (1) Flin Flon and Callinan mines, (2) Konuto Lake, (3) McIlvenna Bay deposit, (4) Knife Lake deposit, (5) Western Nuclear mine, (6) Suggi-Windy lakes, (7) Rottenstone mine, (8) George and Spence lakes, (9) Janice Lake, and (10) Currie-Axis lakes.

Kimberlites (♦): (1) Sturgeon Lake, (2) Candle Lake, (3) Snowden, (4) Foxford, (5) Jacquine Lake, and (6) Fort à la Corne including Star Kimberlite.

Other (+): (1) Hoidas Lake (REE).

SASKATCHEWAN MINERAL PROPERTIES AVAILABLE FOR OPTION AND/OR JOINT VENTURE

Gold and Silver Properties

Name	Disposition Number	NTS Block & Domain	Commodity	Tonnage (t)	Grade	Assays	Mineralization Type	Contact
Amisk Lake	S- 99730	63L-9 Flin Flon	Au			Soil anomaly >1000 ppb Au	Shear zone with pyrite, arsenopyrite & native Au	Angell's Resources Ltd. Gerry Angell (306) 362-2112
Dianne Lake	S-104978	74N-10 Black Bay close to its contact with Zemlak	Ag-Cu-Ni-Co			Grab sample high grade Ag, Ni 12 603 ppm, Cu 3819 ppm , Co 3445 ppm	Polymetallic high-grade silver carbonate veins	Norac Exploration Ltd. Rod Dubnick (306) 425-3214
Gem Extension	S-103088 S-103095		Au			9.49 g/t over 1 m	Sediment-hosted Au (argilite)	Kristo Gold Inc. Rod Spooner (306) 425-2828
Nirdac Creek	CBS 7761	64M-13 Mudjatik North	Au			Drill hole : 0.401 oz/t Au over 1.5 m - 0.27 oz/t over 2.5 m Bulk sample 350 m up-ice from drilling:11.97 oz/t Au	Iron formation hosted gold	Highrock Contracting Rod Spooner (306) 425-2828
Phantom Lake Property	CBS 3194	63K-12 Flin Flon	Au			Chip sample 93.0 g/t Au over 3.0 m	Shear-hosted quartz veining	Ray-Dor Resources Richard Murray (204) 687-4905
Tansi (Stanley Road)	S-106019 S-106278	73P-7 La Ronge	Au			1st area assays up to 3.59 g/t Au. 2nd area up to 4.69 g/t Au	2 areas of sheared contorted from formation 1st area Po>Cp>Sf	Consolidated Pine Channel Gold Corp. Rick Walker (306)664-3828
Wildnest Property	CBS 3245	63M-1 Kisseynew	Au-Zn-Pb	660 000	3.5 g/t Au		Silicified shear zone in gneiss	Ray-Dor Resources Richard Murray (204) 687-4905
Wedge Lake	S-105628 S-105629	64D-4 La Ronge	Au	600 000	0.15 oz/ton Au	Drill hole: 0.415 oz/ton Au over 26.6 m & 0.288 oz/ton Au over 5.4 m	Stratabound gold mineralization and cross-cutting gold mineralized quartz veins	ODAAT INC. Randy/Duane Studer (306)425-3350

Uranium Properties

Name	Disposition Number	NTS Block & Domain	Commodity	Tonnage (t)	Grade	Assays		Contact
Diabase Peninsula-Cree Lake	S-106610	74G-07 and -10 Athabasca/ Virgin River, Mudjatik	U			Anomalous boulder train EM conductor chlor-ill-kaol-drav.alteration	Unconformity type	Lloyd Clark ph # (604) 533-0022 fax (604) 533-0008
Spring Point	S-99099	74N-5 Athabasca/ Forcie	Ni-Cu-Co			Drill results within sandstone. Up to 2.99% Co and 1.7% Ni. Also close to the unconformity 440 ppm U over 1.3 m	Unconformity type mineralization alteration in sandstone and basement	Norac Exploration Ltd. Rod Dubnick (306) 425-3214

Diamond Properties

Name	Disposition Number	NTS Block & Domain	Commodity	Tonnage (t)	Grade	Assays	Mineralization Type	Contact
UCA-KPC	Approximately 250 claims	73H	Diamond			Pending	Magmatique (kimberlite)	United Carina Res. Corp. Rick Walker (306)664-3828

Nickel, Copper, Cobalt and Platinum Properties

Name	Disposition Number	NTS Block & Domain	Commodity	Tonnage (t)	Grade	Assays	Mineralization Type	Contact
Axis Lake	S-103569	74P-5 Tantato	Ni - Cu - Co	3 402 000	0.6% Ni 0.6% Cu 0.15% Co		Differentiated mafic (norite) intrusion	Consollidated Pine Channel Gold Corp. (306)664-3828
Currie Lake	S-103567	74O-8 Tantato	Ni - Cu - Co	47 537	0.79% Ni	1.17% Ni & 0.30% Cu over 2.0 m	Differentiated mafic (norite) intrusion	Consollidated Pine Channel Gold Corp. (306)664-3828
Howard Lake	ML 5180	73P-5 La Ronge	Ni-Cu-Co-Pt-Au			2.44% Ni, 0.49 % Cu & 0.09% Co over 20 ft. 250 ppb Pt	Differentiated mafic intrusion	Walter Shupe (306) 425-2182
Rea Lake	S-103569	74P-5 Tantato	Ni - Cu - Co	63 867 000	0.1% Ni 0.1% Cu		Differentiated mafic (norite) intrusion	Consollidated Pine Channel Gold Corp. (306)664-3828

Base Metal Properties

Name	Disposition Number	NTS Block & Domain	Commodity	Tonnage (t)	Grade	Assays	Mineralization Type	Contact
Anglo-Rouyn	S-106194 S-106195 S-106197	73P La Ronge	Cu-Au	2 000 000	2% Cu 0.035 o/t Au 0.07 oz/t Ag		Sediment-hosted	Kristo Gold Inc. Rod Spooner (306) 425-2828
Bomber Lake	S- 98861	63K-12-NW	Cu-Au-Zn-Ag	Smelted (1968) 28 t	12.4% Cu 2.4 oz/t Ag ; 0.45 oz/t Au	Yes	Volcanic Massive Sulphide	Mid-North Resources Rob Dunlop (403)283-3619
Brabant/Peg/ McKenzie	ML 5054	64D-4 La Ronge	Zn-Cu-Pb	4 860 000	5.19% Zn 0.57% Cu 0.28% Pb 22.6 g/t Ag 0.22 g/t Au		Sediment-hosted stratiform base metal deposit	Boart Longyear Inc. Bob Fleming 1-800-461-7333
Complusion River	S-101742,S-101745, S-101745 to S-101749, S-101472, S-104828, CBS-7829	64E-12 Wollaston	Pb-Zn			Over 45 m anomalous Zn in several drill holes. A 0.5 X 7 km till geochem anomaly	Sedex	Far West Mining Ltd. Pat Varas (604) 602-9144
Dianne Lake	S-106116	74N-10-NW Black Bay close to its contact with Zemlak	Cu Minor Ag			53% of samples taken assaysed >0.5% Cu. Assays reached 9.3% Cu. Ag generally <1 oz/ton	Chalcopyrite and bornite in quartzo-feldspathic biotitic gneisses	Consollidated Pine Channel Gold Corp. (306)664-3828
Foster River	S-106402 S-106403 S-106404	74A-04 and -05 Wollaston	Zn-Pb	50 000	4.5% Zn	Drill hole - 7.6% Zn/8.4 m 1.93% Zn/39.9 m 5.60% Zn/5.8 m 2.84 % Zn/17 m ,2.54%Zn/16 m	Sediment-hosted base metal deposit	Arc Metals Ed Sawitzky (204) 687-8141
George Lake Zinc Lead Deposit	S-106404	64E-5 Wollaston	Zn-Pb	13 368 249	2.76% Zn 0.36% Pb		Sediment-hosted base metal deposit	ODAAT INC. Randy/Duane Studer (306)425-3350

Platinum Group Element Properties

Name	Disposition Number	NTS Block & Domain	Commodity	Tonnage (t)	Grade	Assays	Mineralization Type	Contact
Olmac	S-106240 S-106515		Pt-Pd			Boulder Occurrence; 325 ppb Pt, 217 ppb Pd	Magmatic (clinopyroxenite)	Reindeer Syndicate Rob Dunick/Rod Spooner (306) 425-2828